



WILLIAM T FUJIOKA  
Chief Executive Officer

## County of Los Angeles CHIEF EXECUTIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION  
LOS ANGELES, CALIFORNIA 90012  
(213) 974-1101  
<http://ceo.lacounty.gov>

November 13, 2007

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**DEPARTMENT OF HEALTH SERVICES: APPROVE AMENDMENT NO. 3 TO  
AGREEMENT WITH PRIMARY CRITICAL CARE MEDICAL GROUP FOR INPATIENT  
INTENSIVIST AND HOSPITALIST SERVICES; AND AMENDMENT NO. 1 TO  
AGREEMENT WITH AMERICAN MEDICAL RESPONSE OF SOUTHERN  
CALIFORNIA FOR ADVANCED LIFE SUPPORT AND CRITICAL CARE AMBULANCE  
TRANSPORTATION SERVICES  
(ALL SUPERVISORIAL DISTRICTS)  
(3 VOTES)**

### IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and authorize the Chair of the Board to sign Amendment No. 3, substantially similar to Exhibit I, to Agreement No. H-75936 with Primary Critical Care Medical Group (PCCMG), for the continued provision of inpatient intensivist and hospitalist services at Rancho Los Amigos National Rehabilitation Center (Rancho) from December 1, 2007 through November 30, 2010, for a total maximum obligation of \$13,500,000 for the continuation period, and a total contract maximum obligation of \$18,000,000; and
2. Approve and authorize the Chair of the Board to sign Amendment No. 1, substantially similar to Exhibit II, to Agreement No. H-75938 with American Medical Response of Southern California (AMR), for the continued provision of

Board of Supervisors  
GLORIA MOLINA  
First District

YVONNE B. BURKE  
Second District

ZEV YAROSLAVSKY  
Third District

DON KNABE  
Fourth District

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Fifth District

advanced life support and critical care ambulance transportation services at Martin Luther King, Jr. - Multi-Service Ambulatory Care Center (MLK-MACC) on a month-to-month basis beginning December 1, 2007, for a maximum of twenty-four months, for estimated costs of \$56,250 per month, \$675,000 annually, for a total estimated obligation of \$1,350,000 for the continuation period.

#### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

Approval of these recommendations will provide for the continuation of services under two MetroCare Agreements. The Amendment with PCCMG will continue intensivist/hospitalist physician services at Rancho, which are critical services necessary for the continued provision of adequate medical care to the community. The Amendment with AMR will continue advanced life support and critical care ambulance transportation services from the MLK-MACC to County and private sector hospitals, though for a reduced number of hours.

#### **FISCAL IMPACT/FINANCING**

The total costs of these two Agreements are as follows:

The total maximum obligation for the amendment to the Agreement with PCCMG, effective December 1, 2007 through November 30, 2010, is \$13,500,000. The total maximum obligation for the entire contract term is \$18,000,000.

The estimated cost of the amendment to the Agreement with AMR, effective December 1, 2007 and continuing on a month-to-month basis through November 30, 2009, is \$56,250 per month, for a maximum total of \$1,350,000.

Funding is included in the Department of Health Services' (Department) Fiscal Year 2007-08 Final Budget and will be requested in future fiscal years.

#### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

As part of the MetroCare Implementation Plan approved by your Board on October 17, 2006, the Department released Requests for Information (RFI) in early November 2006, for services that were identified as critical for the success of MetroCare.

Two of those services were supplemental intensivist and hospitalist physician services at MLK-Harbor (MLK-H) and ambulance transportation services necessary to ensure patient movement from MLK-H to other County and private sector hospitals.

As a result of the Centers for Medicare and Medicaid Services' (CMS) notification to terminate its contract with MLK/Drew Medical Center effective November 30, 2006, coupled with the loss of the Charles R. Drew University of Medicine and Science resident physician services effective December 1, 2006, the Department was time-limited in its contracting options. Accordingly, the Department issued RFIs and selected the two named contractors for these services (see Contracting Provisions below).

#### Intensivist/Hospitalist Agreement

Under authority approved by your Board on January 23, 2007, and executed on May 3, 2007, Amendment No. 1 to the PCCMG Agreement revised the maximum obligation from \$3,000,000 to \$4,500,000 annually to adjust for transferring the responsibility for physician program billing and reimbursement from PCCMG to the County. At the time the agreement was approved, it was anticipated that PCCMG would bill third party resources for the physician component of its services. It was later determined that this arrangement was not feasible, and the agreement was amended to provide that the County pay PCCMG directly for the physician component for all patients, and the County would bill the third party resources. The PCCMG Agreement was amended on August 14, 2007, pursuant to delegated authority granted during the Board's August 13, 2007, special session on MLK-H. Amendment No. 2 deleted intensivist/hospitalist services for MLK-H, allowed for the provision of intensivist/hospitalist services at Rancho, under the same terms and conditions, and delegated authority to the Director to add additional County health care facilities. The delegated authority did not allow for the Director to extend the Agreement past the November 30, 2007, termination date.

The Department has an immediate need, and anticipates a continuing need, for these services at Rancho, and potentially at other County hospitals. The Agreement was first negotiated as a result of the RFI process. The Department is recommending that this Amendment extend the Agreement's term through November 30, 2010.

### Advanced Life Support and Critical Care Ambulance Transportation Agreement

The AMR Agreement was established to provide ambulance transportation from MLK-H to other County and private sector hospitals, primarily to decompress inpatient beds at MLK-H, on a temporary basis as part of the MetroCare Plan. These transportation services were needed on a 24 hours/7 days per week basis.

Since the closure in August 2007 of MLK-H and the MLK-H emergency room, the need for these ambulance transportation services has diminished. The Department has determined that, based on 1) the number of ambulance transportations per day, 2) the operating hours of the Urgent Care Clinic, and 3) the utilization pattern of the Contractor's services, coverage for a total of 16 hours daily coverage (8:00 a.m. to 12 midnight) will adequately meet the needs of the MLK-MACC.

The AMR Agreement currently allows for Agreement renewal on a month-by-month basis for a period of two years, following the year term, upon approval of the Board of Supervisors. The Department is identifying a qualified entity to assume the provision of acute care services at MLK-H. Once established, the need for these ambulance services may be eliminated. Accordingly, this Amendment will allow for a month-to-month renewal for two years.

### CONTRACTING PROCESS

Both of these contracts were negotiated and executed as part of MetroCare and were necessary for MetroCare Plan implementation effective December 1, 2006. Because of the time constraints involved, the Department utilized an expedited contracting process and released RFIs to gauge interest in the contracting opportunities.

Teams comprised of Department staff reviewed each expression of interest to determine whether the respondents had the capacity and ability to provide the services needed and whether the respondents could meet the Department's compressed time schedule.

As a result of this process, the Department was able to select respondents for contract negotiations, successfully negotiate contracts, and execute contracts with PCCMG to provide necessary intensivist/hospitalist services and AMR to provide necessary ambulance transportation services.

Honorable Board of Supervisors  
November 13, 2007  
Page 5

Uncertainty regarding the ongoing need for these contracts required that the contracts be effective for one year only, expiring on November 30, 2007. PCCMG's contract may be extended through November 30, 2010 upon approval and execution of a formal amendment. AMR's contract provides for contract renewal on a month-by-month basis, for a period of two years, upon approval of the Board of Supervisors.

**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Board approval of the recommended amendments will ensure the continued provision of intensivist/hospitalist services at Rancho and advanced life support and critical care ambulance transportation for patients from the MLK-MACC to County and private sector hospitals.

When approved, the Department of Health Services requires three signed copies of the Board's action.

Respectfully submitted,



WILLIAM T FUJIOKA  
Chief Executive Officer

WTF:SRH:SS  
DJ:LT:lbm

Attachments (2)

c: County Counsel  
Auditor-Controller  
Director and Chief Medical Officer, Department of Health Services

**SUMMARY OF AMENDMENTS**

1. TYPE OF SERVICES:

Inpatient Intensivist and Hospitalist services and advanced life support and critical care ambulance transportation services.

2. AGENCY ADDRESSES AND CONTACT PERSONS:

Primary Critical Care Medical Group (PCCMG)	American Medical Response of Southern
6180 Laurel Canyon Boulevard, Suite 325	California (AMR)
North Hollywood, California 91606	5257 North Vincent Ave.
Attn: Bruce Gipe, M.D.	Irwindale, CA 91706-2042
Telephone: (818) 421-6961	Attn: Louis Meyer, President and CEO
	Telephone: (626) 633-4764

3. TERMS:

Amendment No. 3 to Inpatient Intensivist/Hospitalist Services Agreement No. 75936, with Primary Critical Care Medical Group (PCCMG), will be effective December 1, 2007 through November 30, 2010.

Amendment No. 1 to Advanced Life Support and Critical Care Ambulance Transportation Services Agreement No. 75938 with American Medical Response of Southern California AMR, will be effective December 1, 2007 for twenty-four (24) months, on a month-to-month basis, through November 30, 2009.

4. FINANCIAL INFORMATION:

The total maximum obligation for the PCCMG Amendment, effective December 1, 2007 through November 30, 2010, is \$13,500,000. The total maximum obligation for the entire contract term is \$18,000,000.

The estimated cost of the AMR Amendment, effective December 1, 2007 through November 30, 2009 is \$56,250 per month, for a total of \$1,350,000.

Funds are included in the Department of Health Services' Fiscal Year 2007-08 Final Budget and will be requested as a continuing appropriation in future fiscal years.

5. GEOGRAPHIC AREAS SERVED:

All Supervisorial Districts.

6. ACCOUNTABILITY FOR PROGRAM MONITORING AND EVALUATION:

PCCMG: Charles Stewart, Chief Medical Officer, Rancho Los Amigos National Rehabilitation Center

AMR: Cathy Chidester, Acting Director, Emergency Medical Services

7. APPROVALS:

Intergovernmental Relations:	Carol Meyer, Director
Emergency Medical Services:	Cathy Chidester, Acting Director
Rancho :	Jorge Orozco, Interim CEO
Contracts and Grants:	Cara O'Neill, Chief
County Counsel (as to form):	Sharon A. Reichman, Principal Deputy

OUTSOURCING OF ADVANCED LIFE SUPPORT AND CRITICAL CARE  
AMBULANCE TRANSPORTATION SERVICES AGREEMENT

RATES TO BE CHARGED COUNTY FOR AMBULANCE  
TRANSPORTATION SERVICES A-1

For each calendar month that this Amendment is in effect commencing with the month of December 1, 2007, County shall pay Contractor the following monetary consideration:

Three (3) hour ALS staffed and equipped vehicle	\$ 9,125 per month
Twelve (12) hour ALS staffed and equipped vehicle	\$36,500 per month
Overtime hourly rate (effective only when 12-hour ALS shift extends beyond the 12-hour assigned shift	\$100 per hour (or fraction (of in 15 minute increments
Critical Care Transport/Respiratory Therapist (will be paid only if responded within 90 minutes [plus or minus 30 minutes of scheduled call time])	\$809.72 (all inclusive) \$ 6.05 per mile calculated per County Ordinance (patient on board)

Critical Care transportation and ALS services include all ancillary charges. Charges include, but are not limited to, charges for night response, waiting time, oxygen, plus oximeter, cardiac monitor, infusion pump, or other related services.

The minimum number of hours of operation for both Dedicated Units shall be fifteen (15) hours per day. County may change the service start and end times for each Dedicated Unit with concurrence of Contractor. County may terminate one or both of the Dedicated Units at any time, subject to County providing Contractor written notice of termination as provided in the Agreement.

BILLING ADDRESS FOR AMBULANCE SERVICES:

County of Los Angeles  
Department of Health Services  
Emergency Medical Services Division  
5555 Ferguson Drive, Suite 220  
Commerce, California 90022  
Attention: Ambulance Program Coordinator

**INPATIENT INTENSIVIST AND HOSPITALIST  
SERVICES AGREEMENT****AMENDMENT NO. 3**

THIS AMENDMENT is made and entered into this 20<sup>th</sup> day  
of November 2007,

by and between

COUNTY OF LOS ANGELES  
(hereafter "County"),

and

PRIMARY CRITICAL CARE  
MEDICAL GROUP  
(hereafter "Contractor")

WHEREAS, reference is made to that certain document entitled "INPATIENT  
INTENSIVIST AND HOSPITALIST SERVICES AGREEMENT" dated November 30,  
2006, and further identified as County Agreement No. 75936, as amended by  
Amendment No. 1, dated May 3, 2007 and Amendment No. 2 dated August 14, 2007  
(hereafter "Agreement"); and

WHEREAS, it is the intent of the parties hereto to amend Agreement to extend its  
term and make the changes described hereinafter; and

WHEREAS, said Agreement provides that changes may be made in the form of a  
written amendment which is formally approved and executed by the parties.

NOW, THEREFORE, the parties agree as follows:

1. This Amendment shall be effective on December 1, 2007.
2. The term of Agreement is hereby extended for thirty-six (36) months,  
through November 30, 2010.

75936  
Supplement No. 3



3. Paragraph 3, MAXIMUM OBLIGATION, of Agreement shall be deleted in its entirety and replaced with the following:

“A. As to the provision of services at MLK-H for that period December 1, 2006, through August 31, 2007, or such earlier date as the Director of Health Services shall establish in accordance with the inpatient census at MLK-H, the Maximum Obligation for those services shall not exceed Two Million Seven Hundred Fifty Dollars (\$2,750,000).

B. As to the provision of services at Rancho for that period August 14, 2007, through November 30, 2007, the Maximum Obligation for those services shall not exceed One Million Seven Hundred Fifty Thousand Dollars (\$1,750,000).

C. As to the provision of services at Rancho beginning December 1, 2007 through November 30, 2010, the Maximum Obligation for services provided shall not exceed Thirteen Million Five Hundred Thousand Dollars (\$13,500,000).

D. The total Maximum Obligation for all services under this Agreement shall not exceed Eighteen Million Dollars (\$18,000,000).”

4. Paragraph 4, DESCRIPTION OF SERVICES, shall be deleted in its entirety and replaced with the following:

“For the period December 1, 2006, through August 30, 2007, or such sooner date as Director of Health Services shall establish in accordance with inpatient census at MLK-H, Contractor shall provide Inpatient Intensivist and Hospitalist medical services, as described in Exhibit "A", attached hereto and incorporated herein by reference, at MLK-H. Effective September 1, 2007, or

such sooner date as Director of Health Services shall establish, Contractor shall cease the provision of said services at MLK-H.

Effective August 14, 2007 through November 30, 2010, Contractor shall provide Inpatient Intensivist and Hospitalist medical services, as described in Exhibit "C", attached hereto and incorporated herein by reference, at Rancho.

In accordance with the delegation of authority vested in the County's Chief Executive Officer ("CEO") in conjunction with the Director of Health Services on August 14, 2007, the CEO, in conjunction with the Director, shall have the discretion to amend this Agreement to expand the provision of Inpatient Hospitalist and Intensivist Services to LAC+USC Medical Center, Harbor-UCLA Medical Center and/or Olive View Medical Center, at the rates set forth in this Agreement. Any such expansion of services shall be memorialized by a written amendment, executed by Contractor and the Chairman of the Board of Supervisors."

5. Except for changes set forth hereinabove, the wording of the Agreement shall not be changed in any respect by this Amendment.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by its Chairman of the Board

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Director of Health Services and Hospital has caused this Amendment to be subscribed in its behalf by its duly authorized officer, the day, month and year first above written.

COUNTY OF LOS ANGELES



By

Bruce Gipe, MD  
Chairman of the Board of Supervisors

CONTRACTOR

By

Bruce Gipe, MD

(Printed Name)

Bruce Gipe MD

(Signature)

Title

Medical Director

(AFFIX CORPORATE SEAL HERE)

ATTEST: SACHI A. HAMAI  
EXECUTIVE OFFICER  
CLERK OF THE BOARD OF SUPERVISORS

By

Sachi A. Hamai, Deputy

APPROVED AS TO FORM  
BY THE OFFICE OF THE COUNTY COUNSEL:

By

Sharon A. Reichman  
(Signature)

APPROVED AS TO CONTRACT  
ADMINISTRATION:

By

Cara O'Neill

Cara O'Neill, Chief  
Contracts and Grants

I hereby certify that pursuant to  
Section 25103 of the Government Code,  
delivery of this document has been made.

SACHI A. HAMAI  
Executive Officer  
Clerk of the Board of Supervisors

By

Sachi A. Hamai  
Deputy

**ADOPTED**  
BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

14 NOV 20 2007

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Amend3PCCMGFINAL

Sachi A. Hamai  
SACHI A. HAMAI  
EXECUTIVE OFFICER



Contract No. 75938-1

OUTSOURCING OF ADVANCED LIFE SUPPORT AND CRITICAL CARE  
AMBULANCE TRANSPORTATION SERVICES

AMENDMENT NO. 1

THIS AMENDMENT is made and entered into this 20<sup>th</sup> day  
of November, 2007,

by and between

COUNTY OF LOS ANGELES  
(hereafter "County"),

and

AMERICAN MEDICAL RESPONSE  
OF SOUTHERN CALIFORNIA  
(hereafter "Contractor").

WHEREAS, reference is made to that certain document  
entitled "OUTSOURCING OF ADVANCED LIFE SUPPORT AND CRITICAL CARE  
AMBULANCE TRANSPORTATION SERVICES", dated November 30th, 2006,  
and further identified as County Agreement No. 75938 (hereafter  
referred to as "Agreement"); and

WHEREAS, it is the intent of the parties hereto to amend  
the Agreement to extend the term for ambulance transportation  
services scheduled to expire on November 30, 2007, for twenty  
four (24) months, on a month-to-month basis, through November  
30, 2009; and

WHEREAS, said Agreement provides that changes may be made  
in the form of a written amendment which is formally approved  
and executed by both parties.

75938  
Supplement No. 1

NOW, THEREFORE, the parties agree as follows:

1. Paragraph 1 A, TERM, shall be deleted in its entirety and replaced with the following:

"A. This Agreement shall commence effective December 1, 2007, and shall continue for twenty four (24) months, on a month-to-month basis, through November 30, 2009, upon approval of the County Board of Supervisors. The Agreement, however, may be sooner cancelled or terminated at any time, without cause by the County, upon giving at least sixty (60) calendar days written notice thereof to the other. Either party may terminate with cause upon giving at least sixty (60) calendar days prior written notice thereof to the other. In addition to the aforementioned, County reserves the right to reduce the number of Dedicated Units provided for under this Agreement subject to the above notice requirement."

2. Paragraph 3 B, DESCRIPTION OF SERVICE, shall be deleted in its entirety and replaced with the following:

"B. Contractor agrees to keep two (2) ALS staffed ambulances available at Martin Luther King, Jr. Multi-Service Ambulatory Care Center ("Dedicated Units"), one ambulance between the hours of 0800 and 1100, and one

ambulance between 1100 and 2300, both for seven days a week, 365 days a year. In addition, Contractor agrees to provide additional ALS and CCT vehicles, available within ninety (90) minutes during hours in which contracted ambulances are not available. The hours of required operation may be revised at the sole discretion of DHS as data on frequency and times of transports becomes available. County may change the service start and end times for each Dedicated Unit with concurrence of Contractor."

3. Exhibit A, RATES TO BE CHARGED COUNTY FOR AMBULANCE TRANSPORTATION SERVICES, of Agreement shall be deleted in its entirety and replaced with Exhibit A, RATES TO BE CHARGED COUNTY FOR ALS AND CCT AMBULANCE TRANSPORTATION A-1, attached hereto and incorporated herein by reference.

4. Except for the changes set forth hereinabove, the wording of Agreement shall not be changed in any respect by this Amendment.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by its

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Chairman and Contractor has caused this Amendment to be  
subscribed in its behalf by its duly authorized officer, the  
day, month, and year first above written.

I hereby certify that pursuant to  
Section 25103 of the Government Code,  
delivery of this document has been made.

SACHI A. HAMAI  
Executive Officer  
Clerk of the Board of Supervisors



By [Signature]  
Deputy

COUNTY OF LOS ANGELES

By [Signature]  
Chairman, Board of Supervisors

AMERICAN MEDICAL RESPONSE  
OF SOUTHERN CALIFORNIA  
Contractor

ATTEST:

Executive Officer of the  
Board of Supervisors of  
the County of Los Angeles

By [Signature]  
Signature

Scott C. White  
Print Name

By [Signature]  
Deputy

Title GENERAL MANAGER LACU  
(Affix Corporate Seal)

APPROVED AS TO FORM:  
OFFICE OF THE COUNTY COUNSEL

By [Signature]  
Deputy

**ADOPTED**  
BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

14 NOV 20 2007

APPROVED AS TO CONTRACT  
ADMINISTRATION:

Department of Health Services

By [Signature]  
Cara O'Neill, Chief  
Contracts and Grants Division

[Signature]  
SACHI A. HAMAI  
EXECUTIVE OFFICER



OUTSOURCING OF ADVANCED LIFE SUPPORT AND CRITICAL CARE  
AMBULANCE TRANSPORTATION SERVICES AGREEMENT

RATES TO BE CHARGED COUNTY FOR AMBULANCE  
TRANSPORTATION SERVICES A-1

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Twelve (12) hour ALS staffed and equipped vehicle	\$36,500 per month
Overtime hourly rate (effective only when 12-hour ALS shift extends beyond the 12-hour assigned shift	\$100 per hour (or fraction (of in 15 minute increments
Critical Care Transport/Respiratory Therapist (will be paid only if responded within 90 minutes [plus or minus 30 minutes of scheduled call time])	\$809.72 (all inclusive) \$ 6.05 per mile calculated per County Ordinance (patient on board)

Critical Care transportation and ALS services include all ancillary charges. Charges include, but are not limited to, charges for night response, waiting time, oxygen, plus oximeter, cardiac monitor, infusion pump, or other related services.

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BILLING ADDRESS FOR AMBULANCE SERVICES:

County of Los Angeles  
Department of Health Services  
Emergency Medical Services Division  
5555 Ferguson Drive, Suite 220  
Commerce, California 90022  
Attention: Ambulance Program Coordinator